

CLARK COUNTY GENERAL FUND JUNE 2010 REPORT

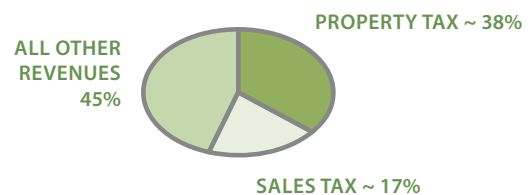
Revenues and expenses 2009 – 2010

The 2009-2010 budget was first adopted in December 2008. Revenues and expenses were reduced in July 2009 and January 2010, consistent with the economic downturn.

In April 2010, relatively routine adjustments were made to account for new revenue and expenses roughly equal to each other, primarily in grants that must be spent for specific purposes. With the economy beginning to stabilize, the expense budget was also increased slightly, and slightly revised in April 2010. The largest increase was to pay for indigent defense through 2010.

The foundation for the current budget is a *revised forecast* completed in the third quarter of 2009 and revised slightly in April 2010. This monitoring report compares revenues and expenses with that forecast, based on the latest data showing actual experience.

- As of April 2010, **expected expenses** for 2009-2010 total \$273.1 million*.
- As of April 2010, **expected revenues** for 2009-2010 total \$274.8 million. Current expected revenues include:
 - **Sales taxes** = \$45.6 million (17%)
 - **Property taxes** = \$103.3 million (38%)
 - **All other revenues** = \$125.9 million (45%)

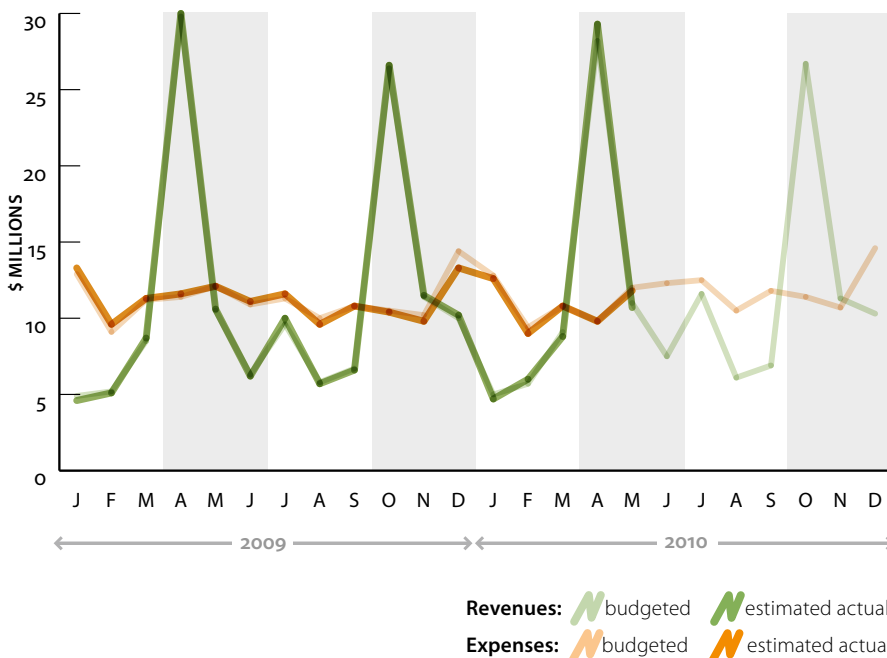


The current budget goal is to increase the fund balance by \$1.7 million by the end of 2010.

**In addition, \$3.2 million in one-time expenses are projected from revenues previously set aside in dedicated fund balance.*

General Fund 2009 – 2010

1. Revenues and expenses



For January 2009 - May 2010, actual estimated **revenues** were \$1.0 million (0.5%) higher than projected, essentially on course with the current forecast.

January 2009 - May 2010 actual estimated **expenses** were \$0.6 million (0.3%) lower than planned. Expenses continue to fluctuate greatly from month to month.

Overall, the data suggest that actual spending will end up close to the current budget, with \$1.7 million remaining to add to the fund balance, as planned.

Biennium-to-date, revenues and expenses combined have produced a slight surplus, roughly equal to one half of one percent of the general fund. Departments have been careful managing expenses. At the same time, revenues have begun to stabilize, while remaining much lower than they were before the recession began in December 2007.

In all, the budget is in a stable but fragile condition. Any significant increase in expenses or decrease in revenues could require additional reductions in expenses for 2011-2012. For example, state budget cuts could shift costs to the county in a variety of ways. In addition, one-time revenue essential to balance the current budget may not be available to relieve similar pressure in 2011-2012.

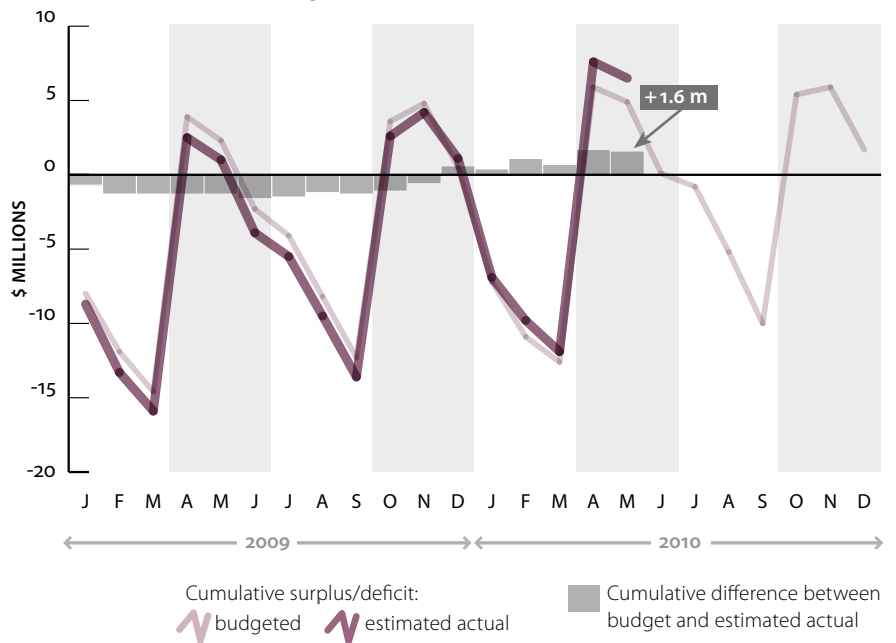
For January 2009 - May 2010, actual estimated sales tax revenues were \$0.2 million (0.6%) higher than expected.

2009-2010 GENERAL FUND BUDGETED REVENUES

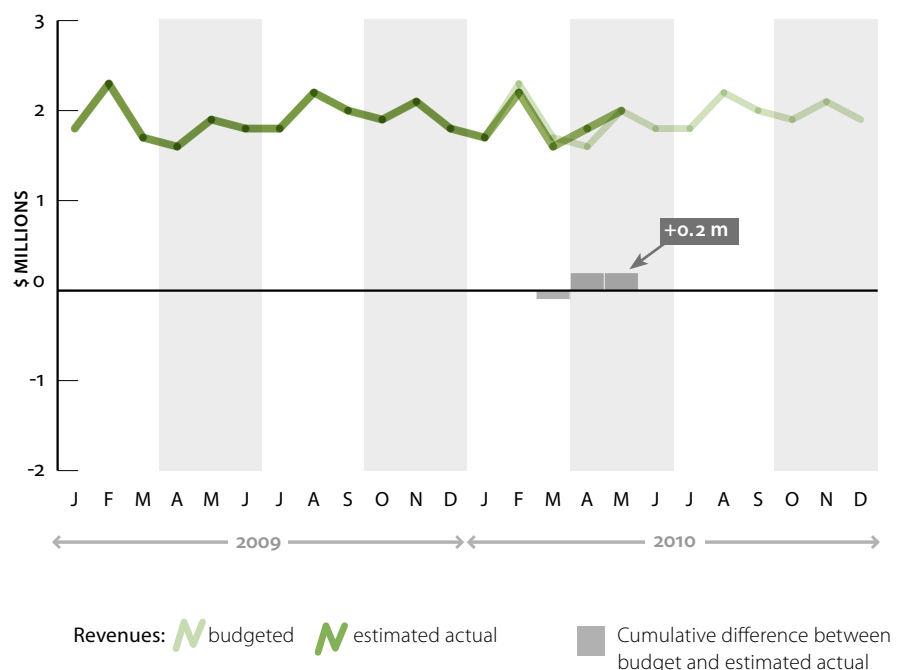


Note: There is a two-month delay between sales tax collections and distribution to the county (e.g. May 2010 revenues reflect March 2010 taxable retail sales).

General Fund 2009 – 2010 2. Cumulative surplus/deficit

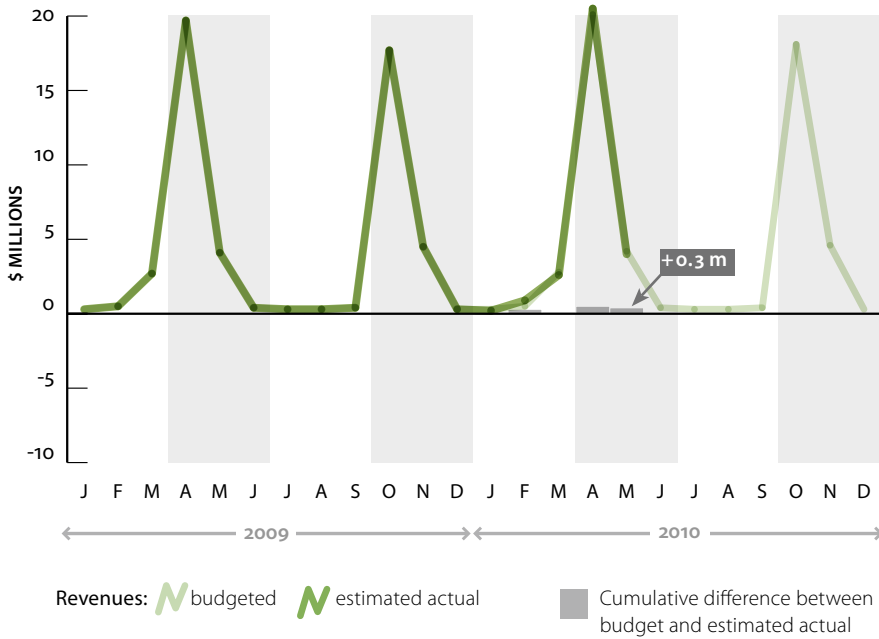


General Fund 2009 – 2010 3. Sales tax revenues



General Fund 2009 – 2010

4. Property tax revenues



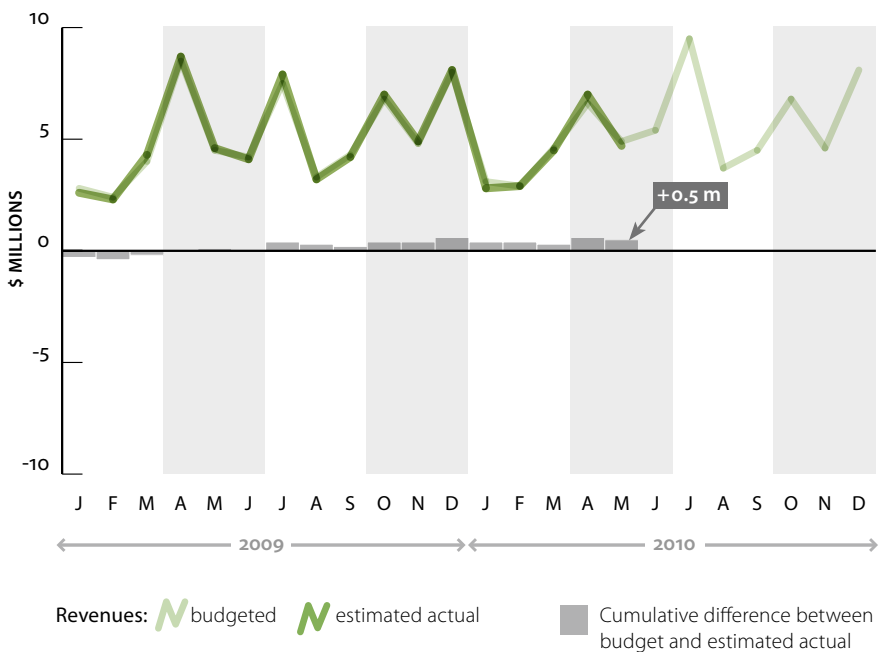
For January 2009 - May 2010, actual estimated property tax revenues were \$0.3 million (0.5%) higher than expected.

2009-2010 GENERAL FUND BUDGETED REVENUES



General Fund 2009 – 2010

5. All other revenues



For January 2009 - May 2010, actual estimated all other revenues were \$0.5 million (0.6%) higher than expected. A few revenues performed slightly better than expected, especially penalties and interest.

2009-2010 GENERAL FUND BUDGETED REVENUES



GLOSSARY

Budgeted revenues – the amount of monthly anticipated revenues based on the revenue budget, taking into account the typical revenue stream pattern for each month.

Estimated actual revenues – the estimated amount of actual monthly revenues. Estimated revenues differ slightly from the General Ledger actual revenues due to necessary reporting adjustments. For example, such adjustments account for delayed transfers.

Budgeted expenses – the amount of monthly anticipated expenses based on the expense budget, taking into account the typical spending pattern for each month.

Estimated actual expenses – the estimated amount of actual monthly expenses. Estimated expenses may differ slightly from the General Ledger actual expenses due to reporting adjustments.

Budgeted cumulative surplus/deficit – the cumulative difference between budgeted revenues and expenses.

Estimated actual cumulative surplus/deficit – the cumulative difference between estimated actual revenues and expenses.

Note: the cumulative surplus/deficit has significant negative values for certain months of the year due to the seasonal fluctuations of revenue streams – mainly property taxes. More than half of property taxes are collected during two months each year – May and November, whereas expenses are relatively constant every month.

